

**Opening Statement for Chairman Joseph R. Pitts  
Energy and Commerce Subcommittee on Health  
“PPACA for Pennsylvania: One Year of Broken Promises”  
March 23, 2011**

The Subcommittee will come to order.

The Chair will recognize himself for an opening statement.

It's good to be back in Harrisburg. I spent more than 20 years here as a state representative, and I still have many fond memories and good friends from my time here.

On the one year anniversary of the Patient Protection and Affordable Care Act being signed into law, we are here to examine the effects that the law will have, and is already having, on states.

And, we will hear how various provisions in the law are burdening businesses and employers, precisely at a time when we need them to be hiring new employees and creating jobs.

Obamacare's heaviest burden on states is the Medicaid expansion.

A May 2010 Kaiser Family Foundation report found that by 2019, Pennsylvania's Medicaid rolls may grow by an additional 682,880 people and may cost the state an additional \$2.041 billion over the 2014-2019 time period.

Where is Pennsylvania supposed to come up with \$2 billion? How much spending for education, transportation, and other priorities will have to be cut to come up with this money? Which taxes will need to be raised to pay for this expansion?

And, in the private sector, Obamacare levels destructive taxes on virtually every sector of our economy.

For businesses, the law raises the Medicare payroll tax by a total of \$210.2 billion.

Employers will also be penalized for hiring new workers. They will pay a fine of \$2,000 for every full-time employee for whom they do not provide “acceptable” coverage – as defined by the government.

Many employers will be forced to dump their employees into the exchanges, just to remain competitive.

Employers will have to comply with thousands and thousands of pages of burdensome regulations – which will be coming out for years – that will impose new mandates and responsibilities and new compliance costs on businesses, while driving up health insurance premiums and discouraging hiring.

So, today, we will hear from representatives of the state and the private sector to get their perspective on what Obamacare means for them.

Governor Tom Corbett is here. He has kindly agreed to share some opening remarks with us before testimony gets underway. Thank you, Governor.

I would also like to welcome our distinguished witnesses, Secretary of Public Welfare Gary Alexander and State Insurance Commissioner Michael Consedine, on panel one.

On panel two, we will have State Senator Pat Vance, Chair of the Senate Public Health and Welfare Committee, and State Representative Matt Baker, Chairman of the House Health Committee.

And on panel three we will hear from Gene Barr, Vice President of Government and Public Affairs for the Pennsylvania Chamber of Business and Industry, Kevin Shivers, PA State Director with the NFIB, and Ann Daane (Day-nee), Vice President of North America Human Resources at Case New Holland.

Finally, I would like to thank Gov. Corbett's office, Sen. Dominic Pileggi's office, and Rep. Matt Baker's office for their help with accommodations and making this hearing possible.

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